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Cooperation between the United Nations and the Economic Cooperation Organization

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Report of the Secretary-General

I. Introduction

1. The present report was prepared in compliance with General Assembly resolution 52/19 on cooperation between the United Nations and the Economic Cooperation Organization (ECO). In the same resolution, the Assembly urged the organizations of the United Nations system to continue and increase consultation and cooperation with the Economic Cooperation Organization and its associated institutions in the attainment of their objectives; it also invited the Economic and Social Commission for Asia and the Pacific (ESCAP), as the regional arm of the United Nations, to assume a more active role in promoting cooperation with the Economic Cooperation Organization.

2. A brief summary of the current status of cooperation between the Economic Cooperation Organization and the organizations of the United Nations system is given below.

II. United Nations Development Programme

3. In 1997, the Executive Heads of ECO and the United Nations Development Programme (UNDP) exchanged official visits and both organizations agreed to undertake a joint project on support to ECO member countries in trade efficiency and economic cooperation, to be funded by UNDP. As executing agency for the project, the United Nations Conference on Trade and Development (UNCTAD) undertook with ECO a follow-up joint ECO/UNCTAD mission to Turkmenistan, Kazakhstan and Uzbekistan from 4 to 14 March 1998, in order to explore the opportunities for cooperation in the fields of trade efficiency, trade and transport facilitation, and reforms and modernization of customs procedures among the ECO member States. A second joint mission to Azerbaijan, Kyrgyzstan and Tajikistan was undertaken in May 1998 and the report was distributed to member countries in July 1998.

4. UNDP has also prepared a project document on capacity-building of the ECO secretariat, which is currently under consideration by ECO.

5. Under a joint UNDP/United Nations Institute for Training and Research project, a guide book has been prepared about ECO countries and their economies. It is primarily meant for use in the Web site and is to be regularly updated by the ECO secretariat.

6. UNDP has also funded a study on the economies and resource complementarities of the ECO member States, which assesses existing and potential prospects for a closer

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economic relationship, especially in the energy, trade and investment fields among the ECO member countries.

III. Economic and Social Commission for Asia and the Pacific

7. Cooperation between ESCAP and ECO was formalized with the signing in 1993 of a memorandum of understanding, which was based on the Treaty of Izmir and the terms of reference of ESCAP. In the memorandum of understanding, ESCAP and ECO agreed to cooperate in managing development issues of mutual concern; to implement joint projects, including seminars, workshops and meetings; to share analytical reports and technical publications; to exchange information and ideas; and to provide inputs to their respective subsidiary bodies. In addition, the two organizations decided to have annual consultations at the senior Professional level with a view to developing joint project proposals.

8. ESCAP and ECO agreed to foster cooperation in several areas and have undertaken to facilitate cooperation between other relevant bodies established by the two organizations, such as the ECO Trade and Development Bank, ECO Reinsurance Pool, ECO Chamber of Commerce and Industry, ECO Preferential Tariff System, and the regional institutions of ESCAP, namely, the Asian and Pacific Centre for Transfer of Technology, the Regional Coordination Centre for Research and Development of Coarse Grains, Pulses, Roots and Tuber Crops in the Humid Tropics of Asia and the Pacific, the Statistical Institute for Asia and the Pacific and the Regional Network for Agricultural Machinery.

9. The provision of reliable and efficient land transport services has always been crucial for the economic integration of the ECO subregion, which includes seven landlocked countries. Cooperation between ESCAP and ECO in this sector goes back to 1993, when ESCAP provided an input into the Outline Plan for the Development of the Transport Sector in the ECO Region. Of the more recent ESCAP activities in transport and in the context of Commission resolution 52/11 of 24 April 1996 on the strengthening of subregional economic cooperation among the south-western States members of the Commission, including the States members of the Economic Cooperation Organization, ESCAP cooperated with ECO in formulating a project on transport development in the ECO region, for funding by the Islamic Development Bank and joint execution by ECO, ESCAP and UNCTAD. The project aims at promoting multimodal transport and facilitating international land transport movement across the subregion, as well as the development of a legal and regulatory system for efficient transport.

10. In addition, an ESCAP project on strengthening subregional economic cooperation in trade and investment among the south-western States members of the Commission, aims to assist ECO countries in exploiting new trade and investment opportunities provided by the progressive development of physical infrastructure in the ECO region. The project is being implemented in consultation with ECO and has received funding on a cost-sharing basis from the Government of the Netherlands and the Islamic Development Bank (IDB).

11. A study commissioned under the project will focus on the requirements of ECO countries in "soft infrastructure" for trade and investment, including border and non-border measures. With respect to non-border measures, the study will look into the legal and administrative regimes influencing trade and investment in ECO countries, with a view to advocating greater conformance between policies and business practices. The study is to be followed by a subregional seminar on the application of concepts and designs which have the potential of increasing the flow of, and improving access to, commercially viable information. Particular attention will be given to networking arrangements and facilitation measures, such as the use of standard formats, software and other information requisites adapted to the particular needs of small and medium-sized enterprises.

12. The participation of ECO in the annual consultations among the executive heads of subregional organizations has opened new avenues for cooperation not only with ESCAP, which coordinates those meetings and provides them with substantive servicing, but also with other subregional organizations. A case study on the promotion of trade and investment cooperation between the Association of South-East Asian Nations (ASEAN) and ECO, undertaken by ESCAP at the joint request of the Secretaries-General of ECO and ASEAN, was submitted to the executive heads at their third consultative meeting. Another study, entitled "A suggested framework for promoting economic interdependence and organizational linkages", was prepared by ESCAP for submission to the same meeting.

13. The third consultative meeting identified certain areas where ECO could benefit from the multidisciplinary expertise of ESCAP and its ability to provide backstopping services in the execution of subregional projects. Thus, ECO attaches great importance to sharing the experience gained by ESCAP in involving the private sector in the development

ıd operation of infrastructure projects, such as through the sia Infrastructure Development Alliance (AIDA), which promoted by ESCAP. Taking into account the ongoing ɔnsultations between ECO, ESCAP, UNCTAD and the conomic Commission for Europe, the ECO secretariat ıggested that the following five main areas should be overed under joint projects: (a) corridor studies to etermine the non-tariff and physical impediments to the free ıovement of transport; (b) promotion of accession to nternational conventions in the field of land transport; (c) levelopment of transport facilitation agreements; (d) human esources development for freight forwarding and nultimodal transport; and (e) implementation of the Advance Cargo Information System programme in selected countries.

14. With regard to trade and investment, opportunities for technical cooperation between ESCAP and ECO are being explored in the following areas: developing a subregional database, strengthening inter-subregional financial linkages, using training facilities, institution- and capacity-building, managing trade policy issues, replicating successful experience in "growth triangles", and preparing an inventory of and monitoring restrictive trade practices.

15. ESCAP is also seeking cooperation with ECO in the implementation of a project on investment promotion for the mining industry in the ECO countries. The objectives of the project were determined during a mission undertaken to ECO headquarters by the ESCAP Regional Adviser on Mineral Policy and Mineral Economics. The mission had been requested by the Secretary-General of ECO in December 1996. It covered economic assessment of mineral potential, identification of prominent targets for development and trade, and review of mineral development policies in ECO countries. These and other issues will be discussed at an international round table conference.

16. ECO has already approached IDB concerning the funding of the project. The Bank has expressed interest in joining a group of organizations and agencies that would participate technically and financially in the project and thus back up its credibility.

17. In response to General Assembly resolutions 51/121 and 52/19, a report of the Executive Secretary of ESCAP on cooperation with ECO (E/ESCAP/1091), reviewing the collaboration between the two organizations, was submitted for consideration by the Commission at its fifty-fourth session, which was held in Bangkok from 16 to 22 April 1998.

18. Following its review of the report of the Executive Secretary of ESCAP on cooperation with the ECO, the Commission expressed appreciation for the support provided by the secretariat to ECO.[1] It recommended that practical steps should be taken to promote inter-subregional cooperation in the identified areas as a follow-up to the third Consultative Meeting among Executive Heads of Subregional Organizations and ESCAP, held at Tehran in May 1997.

19. The Commission noted that, as a result of the case study prepared by the secretariat on the promotion of trade and investment cooperation between ASEAN and ECO, the two organizations had agreed to institutionalize a relationship between their respective chambers of commerce, exchange representatives of the private sector, and hold the ASEAN-ECO workshop on international trade.

20. The Commission took note of the statement made on behalf of the Secretary-General of ECO and duly reciprocated the interest expressed by him in pursuing cooperation with ESCAP within the scope defined by the memorandum of understanding. It also noted that the secretariat was invited to consider taking part in some other projects of interest to ECO, including (a) projects on the environmental rehabilitation of the Caspian Sea and Aral Sea basins; (b) technical assistance and mobilization of financial resources and the relevant multilateral funds to address problems such as desertification, land degradation and the conservation of biological diversity; and (c) assistance in bringing into operation the Drug Control Unit financed by the United Nations International Drug Control Programme, particularly with regard to the establishment of a drug data bank and training facilities.

IV. United Nations Conference on Trade and Development

21. UNCTAD is an active partner in the ECO/ESCAP/IDB/UNCTAD inter-agency project on international transport development in the ECO region. It is also the executing agency for the UNDP-sponsored project on support to ECO member countries in trade efficiency and economic cooperation, mentioned in paragraph 3 above. Currently, a draft memorandum of understanding on the relationship between ECO and UNCTAD is in preparation.

V. United Nations Population Fund

22. A conference organized jointly by ECO and the United Nations Population Fund on male involvement in reproductive health and family planning was held in Baku, Azerbaijan, from 20 to 24 September 1998. It was the fourth joint event in a series of conferences relating to women's status and health (Tehran, August 1995); reproductive health (Islamabad, April 1996); and implementation of the programme of action of the International Conference on Population and Development (Almaty, April 1996).

VI. United Nations International Drug Control Programme

23. A project document on the establishment of a Drug Control Coordination Unit in the ECO secretariat was signed between the ECO Secretary-General and the Executive Director of the United Nations International Drug Control Programme in Vienna on 5 March 1998, during an official visit of the Secretary-General of ECO to the Programme's headquarters. This project, which will last one year, commenced in July 1998.

VII. Food and Agricultural Organization of the United Nations

24. A memorandum of understanding between ECO and the Food and Agriculture Organization of the United Nations (FAO) was signed by the Secretary-General of ECO and the Director-General of FAO in Tehran on 8 December 1997, during their visit to Tehran for the summit of the Organization of Islamic Conference.

VIII. United Nations Industrial Development Organization

25. Following an official visit by the Secretary-General of ECO to the headquarters of the United Nations Industrial Development Organization (UNIDO) in Vienna in March 1998, UNIDO proposed the following two industrial projects for the ECO region:

(a) Programme for technology capacity-building in the ECO member States;

(b) Regional investment programme for ECO member countries.

26. UNIDO has also offered assistance for two other projects, namely investment promotion assistance for Kazakhstan, and integrated investment promotion for Tajikistan.

Notes

[1] See *Official Records of the Economic and Social Council, 1998, Supplement No. 20* (E/1998/40).